

I certify this to be a true and correct  
copy of the indicated document as  
referred or transmitted to committee.

Chief Clerk of the House

By:

T. King

**FILED** MAR - 6 2007  
H.B. No. 2660

A BILL TO BE ENTITLED

AN ACT

relating to the use of money from the Texas economic development  
bank fund for rural rail development.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 489.102(b), Government Code, is amended  
to read as follows:

(b) The bank may:

(1) provide, as provided under the programs the bank  
administers under Section 489.108 or otherwise as provided by law:

(A) qualifying communities with tax incentives  
for expanding businesses or businesses relocating to this state;

(B) incentives to lenders to:

(i) make loans to near-bankable businesses  
in the lender's community; and

(ii) make low-interest loans to qualifying  
businesses; and

(C) bond-based long-term debt financing for  
capital investment in public entities, in large commercial and  
industrial projects, and for other economic development purposes;

(2) act as a link between businesses searching for  
investment capital and potential investors;

(3) inform institutional lenders of economic  
development plans and strategies for each region of this state and  
encourage institutional lenders to support those plans in their

1 marketing and investment strategies;

2 (4) offer communities a one-stop source of financing  
3 for their economic development efforts;

4 (5) provide communities with technical assistance in  
5 the development of their incentive programs to attract and retain  
6 businesses and in the design of incentive packages for specific  
7 proposals; ~~and~~

8 (6) provide expanding businesses or businesses  
9 relocating to this state with a single source of information  
10 concerning financial incentives offered by this state to those  
11 businesses; and

12 (7) provide grants or financing to the Texas  
13 Department of Transportation to implement the department's powers  
14 and duties relating to rural rail development under Chapter 91,  
15 Transportation Code.

16 SECTION 2. Section 489.104, Government Code, is amended to  
17 read as follows:

18 Sec. 489.104. ALLOCATION OF RESOURCES. The bank may  
19 allocate its resources as necessary to efficiently meet the level  
20 of demand experienced by:

21 (1) each program or service described by Section  
22 489.108; and

23 (2) the Texas Department of Transportation under  
24 Section 489.102(b)(7).

25 SECTION 3. Section 91.071(b), Transportation Code, is  
26 amended to read as follows:

27 (b) Except for money received from the Texas economic

1 development bank fund under Section 489.102, Government Code, the  
2 [The] department may not spend money from the general revenue fund  
3 to implement this chapter except pursuant to a line-item  
4 appropriation.

5         SECTION 4. This Act takes effect immediately if it receives  
6 a vote of two-thirds of all the members elected to each house, as  
7 provided by Section 39, Article III, Texas Constitution. If this  
8 Act does not receive the vote necessary for immediate effect, this  
9 Act takes effect September 1, 2007.

# HOUSE COMMITTEE REPORT

07 APR 13 AM 1:42  
HOUSE OF REPRESENTATIVES

1<sup>st</sup> Printing

By: King of Zavala

H.B. No. 2660

## A BILL TO BE ENTITLED

### AN ACT

relating to the use of money from the Texas economic development bank fund for rural rail development.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 489.102(b), Government Code, is amended to read as follows:

(b) The bank may:

(1) provide, as provided under the programs the bank administers under Section 489.108 or otherwise as provided by law:

(A) qualifying communities with tax incentives for expanding businesses or businesses relocating to this state;

(B) incentives to lenders to:

(i) make loans to near-bankable businesses in the lender's community; and

(ii) make low-interest loans to qualifying businesses; and

(C) bond-based long-term debt financing for capital investment in public entities, in large commercial and industrial projects, and for other economic development purposes;

(2) act as a link between businesses searching for investment capital and potential investors;

(3) inform institutional lenders of economic development plans and strategies for each region of this state and encourage institutional lenders to support those plans in their

1 marketing and investment strategies;

2 (4) offer communities a one-stop source of financing  
3 for their economic development efforts;

4 (5) provide communities with technical assistance in  
5 the development of their incentive programs to attract and retain  
6 businesses and in the design of incentive packages for specific  
7 proposals; ~~and~~

8 (6) provide expanding businesses or businesses  
9 relocating to this state with a single source of information  
10 concerning financial incentives offered by this state to those  
11 businesses; and

12 (7) provide grants or financing to the Texas  
13 Department of Transportation to implement the department's powers  
14 and duties relating to rural rail development under Chapter 91,  
15 Transportation Code.

16 SECTION 2. Section 489.104, Government Code, is amended to  
17 read as follows:

18 Sec. 489.104. ALLOCATION OF RESOURCES. The bank may  
19 allocate its resources as necessary to efficiently meet the level  
20 of demand experienced by:

21 (1) each program or service described by Section  
22 489.108; and

23 (2) the Texas Department of Transportation under  
24 Section 489.102(b)(7).

25 SECTION 3. Section 91.071(b), Transportation Code, is  
26 amended to read as follows:

27 (b) Except for money received from the Texas economic

1 development bank fund under Section 489.102, Government Code, the  
2 ~~[The]~~ department may not spend money from the general revenue fund  
3 to implement this chapter except pursuant to a line-item  
4 appropriation.

5       SECTION 4. This Act takes effect immediately if it receives  
6 a vote of two-thirds of all the members elected to each house, as  
7 provided by Section 39, Article III, Texas Constitution. If this  
8 Act does not receive the vote necessary for immediate effect, this  
9 Act takes effect September 1, 2007.

# COMMITTEE REPORT

The Honorable Tom Craddick  
Speaker of the House of Representatives

4/4/2007  
(date)

Sir:

We, your **COMMITTEE ON ECONOMIC DEVELOPMENT**

to whom was referred HB 2660 have had the same under consideration and beg to report back with the recommendation that it

- ☒ do pass, without amendment.  
☐ do pass, with amendment(s).  
☐ do pass and be not printed; a Complete Committee Substitute is recommended in lieu of the original measure.  
☒ yes ☐ no A fiscal note was requested.  
☐ yes ☒ no A criminal justice policy impact statement was requested.  
☐ yes ☒ no An equalized educational funding impact statement was requested.  
☐ yes ☒ no An actuarial analysis was requested.  
☐ yes ☒ no A water development policy impact statement was requested.  
☐ yes ☒ no A tax equity note was requested.  
☐ The Committee recommends that this measure be sent to the Committee on Local and Consent Calendars.

For Senate Measures: House Sponsor \_\_\_\_\_

Joint Sponsors: \_\_\_\_\_

Co-Sponsors: \_\_\_\_\_

The measure was reported from Committee by the following vote:

	AYE	NAY	PNV	ABSENT
Deshotel, Chair	<input checked="" type="checkbox"/>			
Straus, Vice-chair	<input checked="" type="checkbox"/>			
Kolkhorst, CBO			<input checked="" type="checkbox"/>	
Dunnam	<input checked="" type="checkbox"/>			
Morrison	<input checked="" type="checkbox"/>			
Ortiz	<input checked="" type="checkbox"/>			
Veasey	<input checked="" type="checkbox"/>			

Total

6 aye  
0 nay  
1 present, not voting  
0 absent

Joe D. Deshotel  
CHAIR

## **BILL ANALYSIS**

H.B. 2660  
By: King, Tracy  
Economic Development  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Pursuant to Chapter 91, Transportation Code, the authority to create rural rail districts is granted. The establishment of rural rail districts (who may own facilities and railways) were authorized under provisions of Chapter 623, Acts of the 67th Legislature, Regular Session, 1981 (Article 6550c, Vernon's Texas Civil Statutes). However, no state funding has been provided to assist in the initial creation of said rural rail districts.

H.B. 2660 will authorize funding to provide, as start up money, for the creation of such rail districts. These powers were authorized to the Texas Department of Transportation (department) under the afore mentioned authority, but funding to assist these local districts has never been provided by the state of Texas.

### **RULEMAKING AUTHORITY**

It is the opinion of the committee that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

SECTION 1. Amends Section 489.102(b), Government Code, by adding subsection (7) to provide financing or grants to the Texas Department of Transportation to apply its responsibilities and authorities relating to rural rail district development under Chapter 91, Transportation Code.

SECTION 2. Amends Section 489.104, Government Code, by adding subsection (2) to provide for the allocation of funds received from the Texas economic development bank fund under Section 489.102(b)(7), Government Code, to finance rural rail districts.

SECTION 3. Amends Section 91.071(b), Transportation Code, to state that, except for money received from the Texas economic development bank fund, money from the general revenue fund may not be spent by the department to implement this chapter except pursuant to a line-item appropriation.

SECTION 4. States the effective date for this Act.

### **EFFECTIVE DATE**

Upon passage or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2007.

## SUMMARY OF COMMITTEE ACTION

HB 2660

March 28, 2007 10:30 AM or upon final adjourn./recess

---

Considered in public hearing

Testimony taken in committee (See attached witness list.)

Left pending in committee

April 04, 2007 10:30 AM or upon final adjourn./recess

---

Considered in public hearing

Reported favorably without amendment(s)

WITNESS LIST

HB 2660  
HOUSE COMMITTEE REPORT  
Economic Development Committee

March 28, 2007 - 10:30 AM or upon final adjourn./recess

For: Turner, Bob (Self and National Rail Alliance)

Registering, but not testifying:

For: Sickels, Linda (Trinity Ind. Inc.)

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION**

**March 27, 2007**

**TO:** Honorable Joe Deshotel, Chair, House Committee on Economic Development

**FROM:** John S. O'Brien, Director, Legislative Budget Board

**IN RE: HB2660** by King, Tracy (Relating to the use of money from the Texas economic development bank fund for rural rail development.), **As Introduced**

<b>No significant fiscal implication to the State is anticipated.</b>
-----------------------------------------------------------------------

The bill permits the Texas Economic Development Bank at the Office of the Governor to provide grants to the Texas Department of Transportation for rural rail development. The bill directs the expenditure of appropriated amounts, therefore no significant fiscal impact to the state is anticipated.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 301 Office of the Governor, 601 Department of Transportation

**LBB Staff:** JOB, JRO, SMi

SECOND READING  
ENGROSSMENT

By: King of Zavala

H.B. No. 2660

A BILL TO BE ENTITLED

AN ACT

relating to the use of money from the Texas economic development bank fund for rural rail development.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 489.102(b), Government Code, is amended to read as follows:

(b) The bank may:

(1) provide, as provided under the programs the bank administers under Section 489.108 or otherwise as provided by law:

(A) qualifying communities with tax incentives for expanding businesses or businesses relocating to this state;

(B) incentives to lenders to:

(i) make loans to near-bankable businesses in the lender's community; and

(ii) make low-interest loans to qualifying businesses; and

(C) bond-based long-term debt financing for capital investment in public entities, in large commercial and industrial projects, and for other economic development purposes;

(2) act as a link between businesses searching for investment capital and potential investors;

(3) inform institutional lenders of economic development plans and strategies for each region of this state and encourage institutional lenders to support those plans in their

1 marketing and investment strategies;

2 (4) offer communities a one-stop source of financing  
3 for their economic development efforts;

4 (5) provide communities with technical assistance in  
5 the development of their incentive programs to attract and retain  
6 businesses and in the design of incentive packages for specific  
7 proposals; ~~and~~

8 (6) provide expanding businesses or businesses  
9 relocating to this state with a single source of information  
10 concerning financial incentives offered by this state to those  
11 businesses; and

12 (7) provide grants or financing to the Texas  
13 Department of Transportation to implement the department's powers  
14 and duties relating to rural rail development under Chapter 91,  
15 Transportation Code.

16 SECTION 2. Section 489.104, Government Code, is amended to  
17 read as follows:

18 Sec. 489.104. ALLOCATION OF RESOURCES. The bank may  
19 allocate its resources as necessary to efficiently meet the level  
20 of demand experienced by:

21 (1) each program or service described by Section  
22 489.108; and

23 (2) the Texas Department of Transportation under  
24 Section 489.102(b)(7).

25 SECTION 3. Section 91.071(b), Transportation Code, is  
26 amended to read as follows:

27 (b) Except for money received from the Texas economic

1 development bank fund under Section 489.102, Government Code, the  
2 ~~[The]~~ department may not spend money from the general revenue fund  
3 to implement this chapter except pursuant to a line-item  
4 appropriation.

5 SECTION 4. This Act takes effect immediately if it receives  
6 a vote of two-thirds of all the members elected to each house, as  
7 provided by Section 39, Article III, Texas Constitution. If this  
8 Act does not receive the vote necessary for immediate effect, this  
9 Act takes effect September 1, 2007.

# HOUSE ENGROSSMENT

By: King of Zavala

H.B. No. 2660

## A BILL TO BE ENTITLED

### AN ACT

relating to the use of money from the Texas economic development bank fund for rural rail development.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 489.102(b), Government Code, is amended to read as follows:

(b) The bank may:

(1) provide, as provided under the programs the bank administers under Section 489.108 or otherwise as provided by law:

(A) qualifying communities with tax incentives for expanding businesses or businesses relocating to this state;

(B) incentives to lenders to:

(i) make loans to near-bankable businesses in the lender's community; and

(ii) make low-interest loans to qualifying businesses; and

(C) bond-based long-term debt financing for capital investment in public entities, in large commercial and industrial projects, and for other economic development purposes;

(2) act as a link between businesses searching for investment capital and potential investors;

(3) inform institutional lenders of economic development plans and strategies for each region of this state and encourage institutional lenders to support those plans in their

1 marketing and investment strategies;

2 (4) offer communities a one-stop source of financing  
3 for their economic development efforts;

4 (5) provide communities with technical assistance in  
5 the development of their incentive programs to attract and retain  
6 businesses and in the design of incentive packages for specific  
7 proposals; ~~and~~

8 (6) provide expanding businesses or businesses  
9 relocating to this state with a single source of information  
10 concerning financial incentives offered by this state to those  
11 businesses; and

12 (7) provide grants or financing to the Texas  
13 Department of Transportation to implement the department's powers  
14 and duties relating to rural rail development under Chapter 91,  
15 Transportation Code.

16 SECTION 2. Section 489.104, Government Code, is amended to  
17 read as follows:

18 Sec. 489.104. ALLOCATION OF RESOURCES. The bank may  
19 allocate its resources as necessary to efficiently meet the level  
20 of demand experienced by:

21 (1) each program or service described by Section  
22 489.108; and

23 (2) the Texas Department of Transportation under  
24 Section 489.102(b)(7).

25 SECTION 3. Section 91.071(b), Transportation Code, is  
26 amended to read as follows:

27 (b) Except for money received from the Texas economic

1 development bank fund under Section 489.102, Government Code, the  
2 ~~[The]~~ department may not spend money from the general revenue fund  
3 to implement this chapter except pursuant to a line-item  
4 appropriation.

5       SECTION 4. This Act takes effect immediately if it receives  
6 a vote of two-thirds of all the members elected to each house, as  
7 provided by Section 39, Article III, Texas Constitution. If this  
8 Act does not receive the vote necessary for immediate effect, this  
9 Act takes effect September 1, 2007.

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION**

**March 27, 2007**

**TO:** Honorable Joe Deshotel, Chair, House Committee on Economic Development

**FROM:** John S. O'Brien, Director, Legislative Budget Board

**IN RE: HB2660** by King, Tracy (Relating to the use of money from the Texas economic development bank fund for rural rail development.), **As Introduced**

<b>No significant fiscal implication to the State is anticipated.</b>
-----------------------------------------------------------------------

The bill permits the Texas Economic Development Bank at the Office of the Governor to provide grants to the Texas Department of Transportation for rural rail development. The bill directs the expenditure of appropriated amounts, therefore no significant fiscal impact to the state is anticipated.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 301 Office of the Governor, 601 Department of Transportation

**LBB Staff:** JOB, JRO, SMi

1-1 By: King of Zavala (Senate Sponsor - Eltife) H.B. No. 2660  
1-2 (In the Senate - Received from the House May 14, 2007;  
1-3 May 15, 2007, read first time and referred to Committee on Business  
1-4 and Commerce; May 17, 2007, reported favorably by the following  
1-5 vote: Yeas 6, Nays 0; May 17, 2007, sent to printer.)

1-6 A BILL TO BE ENTITLED  
1-7 AN ACT

1-8 relating to the use of money from the Texas economic development  
1-9 bank fund for rural rail development.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. Section 489.102(b), Government Code, is amended  
1-12 to read as follows:

1-13 (b) The bank may:

1-14 (1) provide, as provided under the programs the bank  
1-15 administers under Section 489.108 or otherwise as provided by law:

1-16 (A) qualifying communities with tax incentives  
1-17 for expanding businesses or businesses relocating to this state;

1-18 (B) incentives to lenders to:

1-19 (i) make loans to near-bankable businesses  
1-20 in the lender's community; and

1-21 (ii) make low-interest loans to qualifying  
1-22 businesses; and

1-23 (C) bond-based long-term debt financing for  
1-24 capital investment in public entities, in large commercial and  
1-25 industrial projects, and for other economic development purposes;

1-26 (2) act as a link between businesses searching for  
1-27 investment capital and potential investors;

1-28 (3) inform institutional lenders of economic  
1-29 development plans and strategies for each region of this state and  
1-30 encourage institutional lenders to support those plans in their  
1-31 marketing and investment strategies;

1-32 (4) offer communities a one-stop source of financing  
1-33 for their economic development efforts;

1-34 (5) provide communities with technical assistance in  
1-35 the development of their incentive programs to attract and retain  
1-36 businesses and in the design of incentive packages for specific  
1-37 proposals; ~~and~~

1-38 (6) provide expanding businesses or businesses  
1-39 relocating to this state with a single source of information  
1-40 concerning financial incentives offered by this state to those  
1-41 businesses; and

1-42 (7) provide grants or financing to the Texas  
1-43 Department of Transportation to implement the department's powers  
1-44 and duties relating to rural rail development under Chapter 91,  
1-45 Transportation Code.

1-46 SECTION 2. Section 489.104, Government Code, is amended to  
1-47 read as follows:

1-48 Sec. 489.104. ALLOCATION OF RESOURCES. The bank may  
1-49 allocate its resources as necessary to efficiently meet the level  
1-50 of demand experienced by:

1-51 (1) each program or service described by Section  
1-52 489.108; and

1-53 (2) the Texas Department of Transportation under  
1-54 Section 489.102(b)(7).

1-55 SECTION 3. Section 91.071(b), Transportation Code, is  
1-56 amended to read as follows:

1-57 (b) Except for money received from the Texas economic  
1-58 development bank fund under Section 489.102, Government Code, the  
1-59 [The] department may not spend money from the general revenue fund  
1-60 to implement this chapter except pursuant to a line-item  
1-61 appropriation.

1-62 SECTION 4. This Act takes effect immediately if it receives  
1-63 a vote of two-thirds of all the members elected to each house, as  
1-64 provided by Section 39, Article III, Texas Constitution. If this

2-1 Act does not receive the vote necessary for immediate effect, this  
2-2 Act takes effect September 1, 2007.

2-3 \* \* \* \* \*

FAVORABLE  
SENATE COMMITTEE REPORT ON

SB SCR SJR SR (HB) HCR HJR 2660  
By King, Tracy / Eltife  
(Author/Senate Sponsor)  
5-17-2007  
(date)

We, your Committee on BUSINESS AND COMMERCE, to which was referred the attached measure,  
have on 5-17-2007, had the same under consideration and I am instructed to report it  
(date of hearing)  
back with the recommendation (s) that it:

☒ do pass and be printed

☐ do pass and be ordered not printed

☒ and is recommended for placement on the Local and Uncontested Bills Calendar.

A fiscal note was requested. ☒ yes ☐ no

A revised fiscal note was requested. ☐ yes ☒ no

Considered by subcommittee. ☐ yes ☒ no

The measure was reported from Committee by the following vote:

	YEA	NAY	ABSENT	PNV
Senator Troy Fraser, Chairman	<input checked="" type="checkbox"/>			
Senator Chris Harris, Vice-Chairman			<input checked="" type="checkbox"/>	
Senator Kip Averitt			<input checked="" type="checkbox"/>	
Senator Kevin Eltife	<input checked="" type="checkbox"/>			
Senator Craig Estes	<input checked="" type="checkbox"/>			
Senator Kyle Janek	<input checked="" type="checkbox"/>			
Senator Eddie Lucio	<input checked="" type="checkbox"/>			
Senator Leticia Van de Putte			<input checked="" type="checkbox"/>	
Senator Kirk Watson	<input checked="" type="checkbox"/>			
TOTAL VOTES	6	0	3	0

COMMITTEE ACTION

S260 Considered in public hearing  
S270 Testimony taken

Clara Reagan  
COMMITTEE CLERK

By Fraser  
CHAIRMAN

Paper clip the original and one copy of this signed form to the original bill  
Retain one copy of this form for Committee files

WITNESS LIST

HB 2660

Senate Committee Report

Business & Commerce

May 17, 2007 - 9:00 AM

FOR:

Turner, Bob (National Rail Consultants), Voss, TX

## **BILL ANALYSIS**

Senate Research Center  
80R7445 MTB-D

H.B. 2660  
By: King, Tracy (Elife)  
Business & Commerce  
5/16/2007  
Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Chapter 91 (Rail Facilities), Transportation Code, grants the authority to create rural rail districts. The establishment of rural rail districts (who may own facilities and railways) was authorized under provisions of Chapter 623, Acts of the 67th Legislature, Regular Session, 1981 (Article 6550c, V.T.C.S.). However, no state funding has been provided to assist in the initial creation of such rural rail districts.

H.B. 2660 authorizes funding to provide, as start up money, for the creation of rural rail districts.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 489.102(b), Government Code, to authorize the Texas Economic Development Bank (bank) to provide grants or financing to the Texas Department of Transportation (TxDOT) to implement TxDOT's powers and duties relating to rural rail development under Chapter 91 (Rail Facilities), Transportation Code.

SECTION 2. Amends Section 489.104, Government Code, to authorize the bank to allocate its resources as necessary to efficiently meet the level of demand experienced by TxDOT under Section 489.102(b)(7).

SECTION 3. Amends Section 91.071(b), Transportation Code, to provide an exception for money received from the bank fund under Section 489.102 (Powers and Duties of Bank), Government Code, from the provision prohibiting TxDOT from spending money from the general revenue fund to implement this chapter except pursuant to a line-item appropriation.

SECTION 4. Effective date: upon passage or September 1, 2007.

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION**

**May 16, 2007**

**TO:** Honorable Troy Fraser, Chair, Senate Committee on Business & Commerce

**FROM:** John S. O'Brien, Director, Legislative Budget Board

**IN RE:** **HB2660** by King, Tracy (Relating to the use of money from the Texas economic development bank fund for rural rail development.), **As Engrossed**

<b>No significant fiscal implication to the State is anticipated.</b>
-----------------------------------------------------------------------

The bill permits the Texas Economic Development Bank at the Office of the Governor to provide grants to the Texas Department of Transportation for rural rail development. The bill directs the expenditure of appropriated amounts, therefore no significant fiscal impact to the state is anticipated.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 301 Office of the Governor, 601 Department of Transportation

**LBB Staff:** JOB, JRO, SMi

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION**

**March 27, 2007**

**TO:** Honorable Joe Deshotel, Chair, House Committee on Economic Development

**FROM:** John S. O'Brien, Director, Legislative Budget Board

**IN RE: HB2660** by King, Tracy (Relating to the use of money from the Texas economic development bank fund for rural rail development.), **As Introduced**

<b>No significant fiscal implication to the State is anticipated.</b>
-----------------------------------------------------------------------

The bill permits the Texas Economic Development Bank at the Office of the Governor to provide grants to the Texas Department of Transportation for rural rail development. The bill directs the expenditure of appropriated amounts, therefore no significant fiscal impact to the state is anticipated.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 301 Office of the Governor, 601 Department of Transportation

**LBB Staff:** JOB, JRO, SMi

## REQUEST FOR LOCAL & UNCONTESTED CALENDAR PLACEMENT

SENATOR KIM BRIMER, CHAIRMAN  
SENATE COMMITTEE ON ADMINISTRATION

Notice is hereby given that HB2660, by King, Tracy/Eltife,  
(Bill No.) (Author/Sponsor)

was heard by the Committee on Business and Commerce on 5/17,  
2007,

and reported out with the recommendation that it be placed on the Local and Uncontested Calendar.



(Clerk of the reporting committee)

**IMPORTANT: TWO COPIES OF THIS FORM MUST BE ATTACHED TO A COMMITTEE PRINTED  
VERSION OF THE BILL OR RESOLUTION AND SHOULD BE DELIVERED TO THE ADMINISTRATION  
COMMITTEE OFFICE, E1.714. DEADLINES FOR SUBMITTING BILLS AND RESOLUTIONS WILL BE  
ANNOUNCED ON A REGULAR BASIS.**

## ENROLLMENT

H.B. No. 2660

### AN ACT

relating to the use of money from the Texas economic development bank fund for rural rail development.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 489.102(b), Government Code, is amended to read as follows:

(b) The bank may:

(1) provide, as provided under the programs the bank administers under Section 489.108 or otherwise as provided by law:

(A) qualifying communities with tax incentives for expanding businesses or businesses relocating to this state;

(B) incentives to lenders to:

(i) make loans to near-bankable businesses in the lender's community; and

(ii) make low-interest loans to qualifying businesses; and

(C) bond-based long-term debt financing for capital investment in public entities, in large commercial and industrial projects, and for other economic development purposes;

(2) act as a link between businesses searching for investment capital and potential investors;

(3) inform institutional lenders of economic development plans and strategies for each region of this state and encourage institutional lenders to support those plans in their

1 marketing and investment strategies;

2 (4) offer communities a one-stop source of financing  
3 for their economic development efforts;

4 (5) provide communities with technical assistance in  
5 the development of their incentive programs to attract and retain  
6 businesses and in the design of incentive packages for specific  
7 proposals; ~~and~~

8 (6) provide expanding businesses or businesses  
9 relocating to this state with a single source of information  
10 concerning financial incentives offered by this state to those  
11 businesses; and

12 (7) provide grants or financing to the Texas  
13 Department of Transportation to implement the department's powers  
14 and duties relating to rural rail development under Chapter 91,  
15 Transportation Code.

16 SECTION 2. Section 489.104, Government Code, is amended to  
17 read as follows:

18 Sec. 489.104. ALLOCATION OF RESOURCES. The bank may  
19 allocate its resources as necessary to efficiently meet the level  
20 of demand experienced by:

21 (1) each program or service described by Section  
22 489.108; and

23 (2) the Texas Department of Transportation under  
24 Section 489.102(b)(7).

25 SECTION 3. Section 91.071(b), Transportation Code, is  
26 amended to read as follows:

27 (b) Except for money received from the Texas economic

1 development bank fund under Section 489.102, Government Code, the  
2 [The] department may not spend money from the general revenue fund  
3 to implement this chapter except pursuant to a line-item  
4 appropriation.

5       SECTION 4. This Act takes effect immediately if it receives  
6 a vote of two-thirds of all the members elected to each house, as  
7 provided by Section 39, Article III, Texas Constitution. If this  
8 Act does not receive the vote necessary for immediate effect, this  
9 Act takes effect September 1, 2007.

H.B. No. 2660

---

President of the Senate

---

Speaker of the House

I certify that H.B. No. 2660 was passed by the House on May 11, 2007, by the following vote: Yeas 143, Nays 0, 2 present, not voting.

---

Chief Clerk of the House

I certify that H.B. No. 2660 was passed by the Senate on May 23, 2007, by the following vote: Yeas 31, Nays 0.

---

Secretary of the Senate

APPROVED: \_\_\_\_\_

Date

---

Governor

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Speaker of the House

I certify that H.B. No. 2660 was passed by the House  
(1)

on May 11, 2007, by the following vote:  
(2)

Yeas 143, Nays 0, 2 present, not voting  
(3) (4)

\_\_\_\_\_  
Chief Clerk of the House

I certify that H.B. No. 2660 was passed by the Senate

on May 23, 2007, by the following vote:  
(5)

Yeas 31, Nays 0  
(6) (7)

\_\_\_\_\_  
Secretary of the Senate

APPROVED: \_\_\_\_\_

\_\_\_\_\_  
Date

\_\_\_\_\_  
Governor

\*\*\*\* Preparation: CT24

# 80TH LEGISLATURE

## COAUTHOR AUTHORIZATION

(please request your coauthors to sign this form  
in lieu of the front or the back of the original bill)

Bill or Resolution Number: HB 2660

Mary D. King  
signature of primary author

T. King  
printed name of primary author

3-6-7  
Date

PERMISSION TO SIGN HB 2660 HAS BEEN GIVEN TO (check only one of the following):  
(bill or resolution #)

☒ ALL REPRESENTATIVES

THE FOLLOWING REPRESENTATIVE(S): \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

I authorize the Chief Clerk to include my name as a coauthor of the legislation indicated above:

A2100 Allen	Date	A2450 Cook, Byron	Date	A2795 Farabee	Date
A2125 Alonzo	Date	A2565 Cook, Robby	Date	A2820 Farias	Date
A2150 Anchia	Date	A2595 Corte	Date	A2810 Farrar	Date
A2155 Anderson	Date	A2605 Crabb	Date	A2840 Flores	Date
A2145 Aycock	Date	A2610 Craddick	Date	A2850 Flynn	Date
A2160 Bailey	Date	A2615 Creighton	Date	A2860 Frost	Date
A2205 Berman	Date	A2640 Crownover	Date	A2920 Gallego	Date
A2230 Bohac	Date	A2645 Darby	Date	A2915 Garcia	Date
A2240 Bolton	Date	A2620 Davis, John	Date	A2960 Gattis	Date
A2250 Bonnen	Date	A2625 Davis, Yvonne	Date	A2945 Geren	Date
A2280 Branch	Date	A2680 Delisi	Date	A2935 Giddings	Date
A2265 Brown, Betty	Date	A2690 Deshotel	Date	A2910 Gonzales	Date
A2270 Brown, Fred	Date	A2705 Driver	Date	A4660 Gonzalez Toureilles	Date
A2255 Burnam	Date	A2665 Dukes	Date	A2990 Goolsby	Date
A2295 Callegari	Date	A2660 Dunnam	Date	A3045 Guillen	Date
A2495 Castro	Date	A2650 Dutton	Date	A3035 Haggerty	Date
A2585 Chavez	Date	A2775 Eiland	Date	A3050 Hamilton	Date
A2480 Chisum	Date	A2780 Eissler	Date	A3100 Hancock	Date
A2525 Christian	Date	A2785 Elkins	Date	A3160 Hardcastle	Date
A2425 Cohen	Date	A2805 England	Date	A3150 Harless	Date
A2435 Coleman	Date	A2800 Escobar	Date	A3165 Harper-Brown	Date

A3170 Hartnett	Date	A3730 Mallory Caraway	Date	A4200 Puento	Date
A3175 Heflin	Date	A3780 Martinez	Date	A4230 Quintanilla	Date
A3155 Hernández	Date	A2835 Martinez Fischer	Date	A4215 Raymond	Date
A3140 Herrero	Date	A3665 McCall	Date	A4220 Riddle	Date
A3250 Hilderbran	Date	A3650 McClendon	Date	A4250 Ritter	Date
A3275 Hill	Date	A3845 McReynolds	Date	A4270 Rodriguez	Date
A3305 Hochberg	Date	A3830 Menendez	Date	A4350 Rose	Date
A3290 Hodge	Date	A3840 Merritt	Date	A4525 Smith, Todd	Date
A3325 Homer	Date	A3825 Miles	Date	A4540 Smith, Wayne	Date
A3330 Hopson	Date	A3835 Miller	Date	A4530 Smithee	Date
A3315 Howard, Charlie	Date	A3860 Moreno	Date	A4505 Solomons	Date
A3310 Howard, Donna	Date	A3870 Morrison	Date	A4545 Strama	Date
A3340 Hughes	Date	A3865 Mowery	Date	A4565 Straus	Date
A3375 Isell	Date	A3875 Murphy	Date	A4570 Swinford	Date
A3350 Jackson	Date	A3885 Naishtat	Date	A4585 Talton	Date
A3405 Jones	Date	A3900 Noriega	Date	A4600 Taylor	Date
A3480 Keffer	Date	A3880 Oliveira	Date	A4630 Thompson	Date
A3470 King, Phil	Date	A3886 Olivo	Date	A4650 Truitt	Date
A3460 King, Susan	Date	A3930 Orr	Date	A4685 Turner	Date
A3465 King, Tracy	Date	A3940 Ortiz, Jr.	Date	A4700 Van Arsdale	Date
A3495 Kolkhorst	Date	A3945 Otto	Date	A4780 Vaught	Date
A3485 Krusee	Date	A4090 Parker	Date	A4725 Veasey	Date
A3450 Kuempel	Date	A4050 Patrick	Date	A4800 Villarreal	Date
A3520 Latham	Date	A4100 Paxton	Date	A4900 Vo	Date
A3540 Laubenberg	Date	A4140 Pena	Date	A4995 West	Date
A3560 Leibowitz	Date	A3240 Pierson	Date	A5005 Woolley	Date
A3610 Lucio, III	Date	A4160 Phillips	Date	A5150 Zedler	Date
A3705 Macias	Date	A4180 Pickert	Date	A5170 Zerwas	Date
A3715 Madden	Date	A4185 Pitts	Date	District 29	Date

A BILL TO BE ENTITLED  
AN ACT

relating to the use of money from the Texas economic development bank fund for rural rail development.

MAR - 6 2007

Filed with the Chief Clerk

MAR 13 2007

Read first time and referred to Committee on Economic Development

APR 04 2007

Reported favorably (~~unfavorably~~)  
(~~no substitute~~)

APR 13 2007

Sent to Committee on (Calendars)

( )

MAY 10 2007

Read second time (~~amended~~) (~~amended~~); passed to third reading (~~failed~~) by a (non-record vote)  
(~~record vote of~~ ~~yeas~~, ~~nays~~, ~~present~~, ~~not voting~~)Constitutional rule requiring bills to be read on three several days suspended (failed to suspend)  
by a vote of        yeas,        nays,        present, not voting

MAY 11 2007

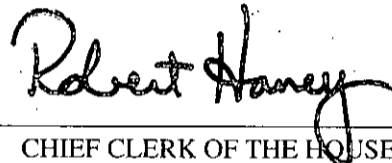
Read third time (~~amended~~); finally passed (~~failed to pass~~) by a (~~non-record vote~~)  
(record vote of 143 yeas, 0 nays, 2 present, not voting)

MAY 13 2007

Engrossed

MAY 14 2007

Sent to Senate



CHIEF CLERK OF THE HOUSE

## OTHER HOUSE ACTION:

MAY 14 2007

Received from the House

BUSINESS AND  
COMMERCE

MAY 15 2007

Read and referred to Committee on       

MAY 17 2007

Reported favorably       

Reported adversely, with favorable Committee Substitute; Committee Substitute read first time

Ordered not printed

MAY 23 2007

Laid before the Senate

Senate and Constitutional Rules to permit consideration suspended by       

MAY 23 2007

Read second time,       , and passed to third reading by (unanimous consent)  
(a viva voce vote)  
(       yeas,        nays)

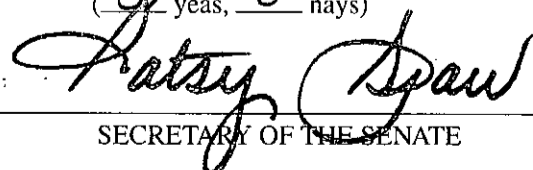
MAY 23 2007

Senate and Constitutional 3 Day Rules suspended by a vote of 31 yeas, 0 nays

MAY 23 2007

Read third time,       , and passed by a (viva voce vote)  
(31 yeas, 0 nays)

Returned to the House



SECRETARY OF THE SENATE

## OTHER SENATE ACTION:

MAY 23 2007

Returned from the Senate (as substituted)  
(with amendments)

House concurred in Senate amendments by a (non-record vote)  
(record vote of \_\_\_\_\_ yeas, \_\_\_\_\_ nays, \_\_\_\_\_ present, not voting)

House refused to concur in Senate amendments and requested the appointment of a conference committee  
by a (non-record vote) (record vote of \_\_\_\_\_ yeas, \_\_\_\_\_ nays, \_\_\_\_\_ present, not voting)

House conferees appointed: \_\_\_\_\_, Chair; \_\_\_\_\_,  
\_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_

Senate granted House request. Senate conferees appointed: \_\_\_\_\_, Chair;  
\_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_

Conference committee report adopted (rejected) by the House by a (non-record vote)  
(record vote of \_\_\_\_\_ yeas, \_\_\_\_\_ nays, \_\_\_\_\_ present, not voting)

Conference committee report adopted (rejected) by the Senate by a (viva voce vote)  
(record vote of \_\_\_\_\_ yeas, \_\_\_\_\_ nays)

07 APR 13 AM 1:42

HOUSE OF REPRESENTATIVES